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ANNUAL REPORT CALL FOR FY 1974

INTRODUCTION

1. The Annual Report is one of the foundation stones of the Agency's management system. The core of the Annual Report is a factual post-audit of performance with respect to agreed objectives at Component, Directorate and Agency levels. This post-audit requires managerial involvement; performance review and evaluation is not something to be delegated, in its entirety at least, to staff elements--the ultimate responsibility is the manager's. The annual evaluation process is not intended and does not purport to identify or pinpoint short-term successes, failures, problems and obstacles; these are properly the concern of the ongoing managerial process. Annual evaluation should provide a broader perspective --a synoptic view--and should identify and reveal major emphases and trends, major strengths and fundamental weaknesses and, possibly, needed changes in direction.

2. The Annual Report Call for FY 1974 is intended to serve four separate, but related, purposes:

- a. to provide data for preparation of the Agency's Annual Report;
- b. to provide a major input for the Agency's overall performance-evaluation system;
- c. to provide a major input for the Directorates' annual performance-evaluation processes; and
- d. to provide a procedure for year-end review by Components of their accomplishments and shortfalls.

3. Review of last year's submissions to the Annual Report revealed certain faults in the process.

- a. Specifications for the submissions were not always clear. This resulted in lack of uniformity; a tendency towards narrative about activities, rather than about specific results, accomplishments, and problems; and, in a number of cases, unnecessary volume and detail.

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- b. The volume and the amount of detail were often excessive, yet did not provide the necessary information.
- c. Formulation of objectives was frequently inadequate; many statements were too general and lacked any basis for measuring performance.
- d. Offices with numerous detailed objectives often failed to categorize or otherwise relate them.
- e. In a number of cases evaluations tended to be perfunctory and not objective critiques.
- f. The letter-grade evaluations proved to be essentially meaningless.
- g. There was an almost complete failure (a few notable exceptions) to discuss inter-Office, inter-Directorate or inter-Agency coordination, joint effort, and the like.
- h. Directorate reports failed to respond adequately to the requirement to describe measures taken to meet DCI and Management Committee instructions to develop and improve Directorate-level performance review and evaluation systems.

SPECIFICATIONS FOR SUBMISSIONS

4. The basic format for the Annual Report remains the same as it was last year. The requirement for letter grading of Components by Deputy Directors has been dropped. The requirement to associate resources with objectives also has been dropped; the new resource package system (see the Program Call) makes it unnecessary.

- a. Format: Annual Reports should be prepared by Components and Directorates in accordance with the outlines in Tabs A and B, respectively.
- b. Length: Components should strive to limit themselves to 10 to 15 single-spaced, standard-sized, pages.
- c. Content: Accomplishments and problems with respect to objectives (Sections B and C of Component reports and Section B of Directorate reports) should be described specifically and factually. Focus should be on results and not the activities leading to those results. Component objectives should be grouped to the

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extent that it is logical and practical to do so. A reader not associated with the Component should be able to recognize highlights, major emphases and trends, gain a clear idea of specific accomplishments of the Component, and form a judgment as to its level of performance.

d. Authentication: Each Component Chief should read and authenticate his Component's report. Deputy Directors (and/or their Associates) are urged personally to review Component reports with Component chiefs.

e. Schedule: Component reports are to be submitted to the Office of the Comptroller by 1 August 1974. Directorate reports are to be submitted to the Office of the Comptroller by 1 September 1974. Three copies of each should be submitted.